

ABSTRACT

A system and method for the efficient transfer of wealth is disclosed. The method comprises gathering information on the amount of wealth to be transferred from a transferor to a transferee; determining the amount of life insurance premium for an insurance policy on the life of an insured individual to be substantially equal to the amount of the wealth to be transferred; and appraising a present value of a cash value of the insurance policy. The policy comprises a cash value and a term benefit. The transferee owns the term benefit, and an entity owns said cash value. The entity may be owned by the transferor. The appraising is based on a mortality risk of the insured individual and a value of the cash value during each year of a projected life of the insured individual, so that an appraised value of the cash value is obtained as a basis for a sale price of the cash value, whereby the wealth may be transferred to the transferee as the cash value.